

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
100 F Street, NE
Washington, D.C. 20549-3651



August 1, 2005

Please deliver the following pages to:

Name Mr. Evan J. Griffith
 Chief Executive Officer

Organization : Chugach Electric Association, Inc

Facsimile Number : 907 762-4514

Number of Pages : 3
(Includes Cover Sheet)

Document : Comment Letter

From : John Cannarella

Phone Number : (202) 551-3337

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

Mail Stop 3561

August 1, 2005

By Facsimile and U.S. Mail

Mr. Evan J. Griffith
Chief Executive Officer
Chugach Electric Association, Inc
5601 Electron Dr.
Anchorage, Alaska 99518

**Re: Chugach Electric Association, Inc
Form 10-K for the year ended December 31, 2004
Filed March 31, 2005
File No. 3-42125 .**

Dear Mr. Griffith:

We reviewed your responses to our prior comments on the above referenced filings as set forth in your letter dated July 21, 2005. Our review resulted in the following accounting comments.

As appropriate, please respond to this comment within 10 business days or tell us when you will provide us with a response. Please provide us with a response letter that keys your response to our comment and provides any requested supplemental information. Please file your response letter on EDGAR as a correspondence file.

FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2004

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Patronage Capital (Equity)

1. We note your response to comment 5 of our letter dated July 7, 2005. You disclose in 2004 that you authorized the retirement of \$3,126,560 of retail patronage and \$125,000 for capital credits. Please clarify why the sum of such authorized amounts totaling \$3,251,560 exceeds the \$3,193,600 reflected as

Mr. Evan J. Griffith
Chugach Electric Association, Inc.
August 1, 2005
Page 2

retirement of capital credits and estate payments as a financing cash outflow for the year ended December 31, 2004.

Notes to Financial Statements

Note 1 Description of Business and Significant Accounting Policies

2. We note your response to comment 7 of our letter dated July 7, 2005. Please include a more detailed description of your impaired assets and the facts and circumstances leading to the impairment as required by paragraph 26(a) of SFAS 144.
3. We note your response to comment 9 of our letter dated July 7, 2005. Your existing disclosure suggests you only record revenues on an "as billed" basis. Please clarify your disclosure to indicate that you accrue for retail unbilled revenue. In doing so, please quantify the amounts of your unbilled revenues as required by Rule 5-02 (3) of Regulation S-X.

Note 8. Debt

4. We note your response to comment 12 of our letter dated July 7, 2005. You should provide current and maximum interest rates applicable to your auction rate series B bond in future filings. In this regard, we understand that the rate on such bonds is reset every 28 days such that a market rate is maintained. If otherwise, please clarify our understanding. If so, advise how the rate is determined and whether and how it results in the bonds fair value being equal to its face amount.

If you have any questions regarding these comments, please direct them to John Camarella, Staff Accountant, at (202) 551-3337 or, in his absence, to the undersigned at (202) 551-3849. Any other questions regarding disclosure issues may be directed to H. Christopher Owings, Assistant Director, at (202) 551-3725.

Sincerely,



Jim Allegretto
Sr. Assistant Chief Accountant